Fair Political Practices Commission MEMORANDUM

To: Chairman Johnson, Commissioners Hodson, Huguenin, Leidigh and Remy

From: Whitney Barazoto, Government Affairs Director

Subject: Legislative Report¹ **Date:** March 27, 2008

A review of the potential fiscal impact of the following bills resulted in the identification of two bills that impose costs on the Commission. The first is AB 583, which has been marked with an "oppose" position, and the second is AB 3003, which includes an appropriation in the bill and has therefore not been marked with any position.

SB 1239 (Battin) is scheduled to be heard in the Senate Elections Committee on April 16, 2008. Pursuant to the Commission's directive at the March meeting, Chairman Johnson sent a letter to Senator Battin indicating the Commission's opposition to SB 1239 to the extent that it imposes penalties on Commission members and employees. The Commission further directed staff to review the remaining provisions of the bill in order to determine whether the Commission should take a broader position of opposition. Staff has conducted that review, and a meeting has been scheduled with Senator Battin to discuss our concerns prior to the April 10 Commission meeting. Staff will provide the Commission with an update at its April meeting.

Current Legislation

AB 583 (Hancock) Clean Money Act

This bill would enact the California Clean Money and Fair Elections Act of 2006, which would authorize eligible candidates for Governor and for one seat in each legislative house to obtain public funds to campaign for elective office. The bill provides a revenue stream for the Clean Money Fund, but it leaves the cost of administering and enforcing the program subject to appropriation by the Legislature.

Status: Senate Elections Committee

Position: Oppose

AB 1859 (Adams) Campaign Statements

This bill would allow county elections officials to disclose on the Internet the campaign statements filed by local candidates and committees.

Status: Assembly Elections Committee

AB 1998 (Silva) Local Agency Formation Commission Proposals

This bill would extend the provisions of the Political Reform Act that currently apply to a ballot measure to a Local Agency Formation Commission (LAFCO) proposal that is initiated as a petition. It also requires monthly reporting by a committee supporting or opposing a LAFCO proposal until the proposal is placed on the ballot or the committee is otherwise terminated.

Status: Assembly Local Government Committee

¹ At its public meeting, the Commission may discuss or take a position on any item included in this report.

AB 2506 (Feuer) Advertisements

This bill would impose disclosure requirements on advertisements that do any of the following: 1) attempt to influence legislative or administrative action, 2) clearly identify a candidate, ballot measure, or executive order, or 3) clearly identify an issue advocacy campaign or other political or legislative cause in California. This bill is in the process of being amended to limit the new disclosure requirements to advertisements attempting to influence legislative or administrative action.

Status: Assembly Judiciary Committee

AB 2552 (Krekorian) Independent Expenditures

This bill expresses the intent of the Legislature to expand the public disclosure requirements for independent expenditures.

Status: Introduced

AB 2607 (Davis) Civil Service Classification

This bill makes technical, non-substantive changes to the Political Reform Act's provision regarding the classification of Commission positions. It appears to be a spot bill.

Status: Introduced

AB 2624 (Strickland) Ethics in Government

This bill would provide that the California anti-SLAPP (Strategic Lawsuit Against Public Participation) statute, which allows a defendant to file a motion to strike in a case brought against him to chill his First Amendment rights as they relate to a public issue, shall not apply to the injunctive relief remedy available under the Political Reform Act.

Status: Assembly Judiciary Committee and Assembly Elections Committee

AB 2795 (Blakeslee) Gifts

This bill was recently amended and would now extend the \$10 monthly gift limit that currently applies to lobbyists and lobbying firms to lobbyist employers, who previously were not subject to a monthly limit and allowed to give gifts of up to \$390 per year. The bill provides an exception to the new \$10 gift limit for lobbyist employers when they are providing food or refreshments of "nominal value," which is defined as worth no more than \$50 per month, yet these gifts are still capped at \$390 per year.

Status: Assembly Elections Committee

AB 3003 (Hayashi) 1090 Pilot Project

This bill would create a three-year pilot project to allow the Commission to issue opinions on the application of Government Code section 1090-1091.5, relating to conflicts of interests of public officials and employees in public contracting. The bill appropriates \$150,000 to the Commission for the project.

Status: Assembly Elections Committee

ACR 93 (Jeffries) Political Campaign Signs (Resolution)

This resolution would request the Fair Political Practices Commission, the League of California Cities, and the California State Association of Counties to jointly develop a model political campaign sign ordinance that could be adopted in local jurisdictions statewide. It has been amended to include in the development process one representative from the California Democratic Party, one representative from the California Republican Party, and a representative of a bona fide association of citizens agreed upon by the Democratic and Republican Party representatives.

Status: Assembly Elections Committee

SB 381 (Calderon) Behested Payments

This bill would extend the reporting deadline from 30 to 90 days and raise the reporting threshold from \$5,000 to \$7,000 for payments made at the behest of a candidate to a nonprofit or government organization for legislative, governmental, or charitable purposes. The bill would also exempt candidates from reporting when the candidate is mentioned in a press release or is listed among multiple names on a communication, when the candidate conducts an interview or public service announcement, or when a government agency made the payment.

Status: On Senate Floor (Inactive File)

SB 1100 (Battin) Conflicts-of-Interest

This bill makes technical, non-substantive changes to the Political Reform Act's conflict-of-interest provisions. It appears to be a spot bill.

Status: Introduced

SB 1204 (Denham) Electronic Filing of SEI's

This bill would allow a state or local filing officer to receive a Statement of Economic Interests (Form 700) electronically in lieu of a hard copy.

Status: Senate Elections Committee

SB 1239 (Battin) FPPC Communications

This bill would require all communications between the Commission and an alleged violator about the resolution of a violation to be treated by the Commission as confidential. It would also prohibit the Commission from allowing public access to any pending enforcement case until the case is closed, an accusation issued, a civil case is filed, or a settlement is presented to the Commission. A knowing and willful violation of the new provision could result in a misdemeanor and forfeiture of office or employment.

Status: Senate Elections Committee

Position: Oppose, to the extent that the bill imposes potential penalties on Commission members and employees

SB 1444 (Maldonado) Reporting of Bribery

This bill would require state and local elected officials to report information about any person who offers a bribe to the official. The report is due within 30 days of being offered the bribe.

Status: Senate Elections Committee

SB 1602 (Scott) Behested Payments

This Commission-sponsored bill would require online filing of payments that are made at the behest of a candidate who is an elected officer and that are made principally for legislative, governmental, or charitable purposes ("behested payments").

Status: Senate Elections Committee

Position: Sponsor

SB 1772 (Sen. Rules Com.) Behested Payments

This bill would extend existing "behested payments" reporting requirements to members of the Public Utilities Commission.

Status: Senate Elections Committee